

# **EU Policy Updates Note**

02 / December 2023 - April 2024





### **EU Policy Updates Note 2**

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#### 1. Introduction

This Note provides an overview of relevant EU policy developments in the four domains covered by the DignityFIRM project. It accounts for the period between December 2023 and March 2024. In this period, the European Parliament and Council have reached preliminary agreements ('provisional deals') on several relevant legislative proposals, including the recast Single Permit Directive, the revised Anti-Trafficking Directive, the Platform Work Directive and the Corporate Sustainability Due Diligence Directive. Conversely, interinstitutional <u>negotiations</u> on the recast Long-Term Residence Directive were cancelled by the Council altogether. Meanwhile, protests by farmers across Europe placed EU agricultural policies under the political spotlight, also having an impact on the negotiations of other relevant EU initiatives. The protests also coincided with the Commission's launch of the strategic dialogue on the future of agriculture, aimed at creating a forum to address common concerns among stakeholders.

#### 2. EU Legislative Developments

Last minute agreement on Corporate Sustainability Due Diligence Directive (CSDDD)

This <u>Directive</u> was proposed in February 2022 to enhance responsible behaviour across supply chains through binding **environmental and human rights** obligations and standards. According to <u>critics</u>, the original CSDDD proposal fell short of fully **protecting workers' rights**, due, among others, to its **limited scope** and lack of **minimum standards for enforcement**. Nevertheless, the <u>provisional deal</u> reached by the European Council and Parliament in December 2023 was welcomed by social actors as a <u>step forward</u> towards addressing **labour exploitation**. Following this, however, the legislative process hit roadblocks after the supporting majority in the <u>Council</u> failed to hold.

Germany, among the first member states to withdraw its support, cited concerns over administrative burdens coming on top of obligations already set in its national due diligence law. Shortly after, <a href="Italy">Italy</a> and <a href="Italy">France</a> joined the group of <a href="member states">member states</a> blocking the file. Following last minute efforts from the <a href="Melgian Council Presidency">Belgian Council Presidency</a>, member states finally reached <a href="member an agreement">an agreement</a> on 15 March. While the <a href="member states">European Parliament</a> hailed the agreement as a <a href="member states">success</a>, doubts remain as to the <a href="member">law's</a> capacity to <a href="member prevent and remediate rights abuses">prevent and remediate rights abuses</a> in the agri-food sector. Uncertainty also remains over ensuring meaningful engagement with all relevant stakeholders, including <a href="member states">migrant</a> workers, as foreseen by the Directive.

Deal reached on the regulation prohibiting products made with forced labour

This Regulation, proposed in 2022, was introduced to prohibit companies from making available in, and exporting products from the Union market made with forced labour. With the end of the policy cycle approaching, EU co-legislators came closer to adopting the new law, having reached a provisional deal on 5 March 2024, which Council greenlit on 13 March. The deal establishes shared investigative responsibilities between the Commission and national authorities, as well as digital tools for information exchange and cooperation. Guidelines and support measures by the Commission are also envisioned to facilitate compliance, with a specific focus on small and medium-sized enterprises (SMEs). While this law has the potential to combat forced labour, and could also potentially benefit irregular migrant workers, civil society organisations have criticised it for not requiring the consultation and remediation of worker victims. Although the Parliament had pushed for victim remediation and to place the burden of proof on companies for products from high-risk areas, these provisions do not feature in the final text.



Greenlight from the Council on the Platform Work
Directive following further concessions

The Platform Work Directive, proposed in 2021, aims to strengthen rights and safeguards by introducing rules on the correct employment classification of platform workers and on algorithmic management, among others (see Note n. 1). Despite a provisional deal being struck in December of last year, in the early weeks of 2024, member states failed to support the final text, with France leading the opposition and calling for a more liberal and flexible approach. A second provisional deal was subsequently agreed on by the European Parliament and Council in February 2024. The agreement between the co-legislators maintains the presumption of employment and the burden of proof on platforms, measures that should benefit platform workers. However, it leaves it to national law and collective agreements to set the specific criteria for identifying an employment relationship. Despite initial indications that member states would not vote in favour of the reform due to remaining concerns on the reclassification of workers, the text received the Council's green light on 11 March 2024.

Recast Single Permit Directive close to adoption: Targeted protections in the final agreement

Proposed in April 2022, the recast Single Permit Directive creates a single procedure for migrants to obtain work and residence permits (see Note n. 1). It forms part of broader EU efforts to attract skills and workers from abroad, while strengthening protection standards and tools for employer accountability. In December, a provisional deal on the Directive was struck, with concessions made by both Council and Parliament. In the final text, the scope of personal eligibility remains narrow, closer to the Council's position. The maximum period of unemployment and to change employer before losing residence rights also remains restrictive, with the former set at three months (six months if the person has been a single permit holder for more than two years) and the latter at six months respectively. By contrast, exceptions to these time limits were introduced in cases of labour exploitation. This could present an opportunity to strengthen protections for exploited migrant workers. The final agreement also includes stronger provisions on procedural guarantees and redress mechanisms. Questions remain, however, if the recast Directive will be effectively enforced or not, among other concerns.

Commission proposes Talent Pool to facilitate job matching, but questions remain over its impact

As part of its efforts to attract skills and talent, the Commission proposed the **EU Talent Pool** in November 2023. The Parliament and Council are yet to adopt their negotiating positions, with questions remaining as to its potential impact on migrant workers. The proposal aims to address existing shortages across sectors by matching employers and non-EU job seekers. It promotes legal migration pathways, setting up a onestop shop for information and support through National Contact Points. It also requires that participating employers take measures against unfair recruitment and ensure adequate working conditions. Combined, these provisions could contribute to preventing exploitative situations for migrant workers. However, the Talent Pool is only available to jobseekers outside the EU, representing a missed opportunity to improve prospects for workers who are already in the EU. Trade unions also identified gaps in measures seeking to address exploitation, including labour rights and redress mechanisms.

Final extension of temporary protection for Ukrainian refugees, but uncertainty remains

Following a <u>Council decision</u>, persons fleeing from Russia's war against Ukraine will benefit from temporary protection until 4 March 2025. Despite collective <u>access to rights</u> under the <u>Temporary Protection Directive</u> (TPD), <u>persistent structural and practical barriers</u> continue to hinder integration, including <u>labour market access</u>. Moreover, <u>uncertainty</u> about post-March 2025 scenarios may constrain <u>personal choices and labour opportunities</u>. In this context, with Ukrainians typically constituting <u>a large number</u> of seasonal workers in the EU, concerns could be raised about possible situations of <u>abuse in</u>



agriculture, considering that <u>poor working conditions</u> continue to be reported in this sector. Depending on what will come <u>after temporary protection</u>, Ukrainian refugees may in the future face <u>precarious residence</u> and <u>employment status</u>, with the further risk of enjoying <u>lower protection standards</u> compared to under the TPD.

#### 3. Other Relevant Developments

Scrutiny and setbacks in EU's green policies due to widespread farmers' protests

In recent months, EU efforts to strengthen environmental and social sustainability have come under <u>intense public scrutiny</u>, partly fed by <u>farmers' protests</u> across Europe. Among <u>others</u>, <u>rising production costs</u> and <u>increasing supply chain pressures</u>, particularly since Russia's full-scale invasion of Ukraine, have amplified <u>concerns</u> around policies under the <u>Green Deal</u>, including the <u>F2F Strategy</u> and the <u>CAP</u>. In response, the Commission has proposed several measures in support of farmers, such as limits to agricultural imports from outside the EU. The implementation of social sustainability standards, a further commitment under the F2F and CAP, has also

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come into question. Setbacks on these commitments, and <u>further</u> possible <u>concessions</u>, could have negative consequences for <u>migrant workers in agriculture</u>, who could otherwise benefit from <u>policies</u> such as **the social conditionality mechanism** in the CAP. However, their <u>position</u> has gone largely unnoticed in the public debate up to now, with only some <u>exceptions</u>.

A renewed commitment to European Social Dialogue In January 2024, the European Commission, the Belgian Presidency of the Council of the EU and European social partners signed the Tripartite Declaration for a Thriving European Social Dialogue at the Val Duchesse Social Partners Summit. The aim is to strengthen social dialogue through various initiatives, such as the "Pact for European Social Dialogue". At the same time, the Declaration seeks to promote commitments among social actors to address labour shortages, including attracting foreign workers, improving their working conditions, and promoting their integration. Key actors, such as some trade unions, were however excluded from the summit, despite calls to ensure adequate representation of all relevant stakeholders, including migrant workers, at the EU policy level and beyond.

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#### **ABOUT DignityFIRM**

Towards becoming sustainable and resilient societies we must address the structural contradictions between our societies' exclusion of migrant workers and their substantive role in producing our food.

www.dignityfirm.eu

